

FAIRHOPE HISTORY PAPERS

The papers in this collection were written by undergraduate students at the University of Virginia during the 1980s. History majors, required for the B.A. degree to write a substantial research paper based on original sources, took a seminar I directed on the history of Fairhope. They had access to the microfilmed copies of the archives of the Fairhope Single Tax Corporation as well as other sources. I have selected sixteen of the papers for inclusion in this collection. Most of them deal with early Fairhope history, up to 1908 when the municipality was created, but some cover a later period. They are arranged in rough chronological order.

I have deposited one copy of the collection in the Fairhope Public Library and one in the library of the Fairhope Single Tax Corporation. I hope that citizens of the community will find them informative and instructive.

The collection is divided into two bound volumes, of which this is Volume I. The titles of all the papers in the collection appear on the next page. They are distributed as follows:

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Paul M. Gaston

--Paul M. Gaston, March 1993.

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- #13. FAIRHOPE: LEGITIMATE SUCCESS OR PAID POLITICAL ADVERTISEMENT? THE ROLE OF JOSEPH FELS IN COLONY SUCCESS: 1894-1899, by Charles F. Duvall, Jr.
- #14. THE DOORKEEPER OF UTOPIA: E. B. GASTON AND THE IMMIGRATION OF FAIRHOPE, by Ford Stephens.
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#1

A BETTER WAY:
THE STORY OF THE NATIONAL COOPERATIVE COMPANY

Adam Behrman
Fairhope Seminar
Prof. Paul Gaston
May 5, 1984

PREFACE

It began with an investigation. The search was for a better way of life, an answer to the social, economic, and political travesties of the day. For months, several men gathered weekly to parry thoughts, refine ideas, mix dogma with dreams, and finally. . .agree. The result was the formation of the National Cooperative Company, an organization designed to establish a colony where these men and others could live a better way--not in ruthless competition, but in peaceful cooperation.

The story of the National Cooperative Company is one of hope and frustration, hard work and hesitation, short successes and eventual failure. I found it to be a fascinating story, and I hope that after reading my paper, you will agree with me.

Adam Behrman

The power to originate great ideas,
social, financial, or political, is not
always accompanied with the ability
to carry them into practice.

--Ernest B. Gaston

(Letter to H.E. Garcken,

January 12, 1891)

PROLOGUE

Greed. Competition. Monopoly. Poverty. These words characterize the last three decades of the nineteenth century, a time when the growing industrialization of America produced record-breaking levels of poverty and wealth. Those at the bottom of the ladder--farmers and industrial workers--often lived in squalor, while the few at the top enjoyed a luxury others could only dream about. Eric F. Goldman writes,

For most industrial workers of the Eighties, real wages were rising with aggravating slowness, and each year extremes of wealth jutted out more irritatingly. . . .

Quickly made fortunes were lavished with infuriating conspicuousness--on a mansion in red, yellow and black bricks. . .banquets where the cigarettes were wrapped in hundred-dollar bills or a poodle was draped with a fifteen-thousand dollar collar.

Just around the corner, slums were sprawling out, filthy, heatless, so dark that their corners could not be photographed. 1

Even for those in the middle class, the rise of huge corporations often shut out all hope of success that had filled the air immediately after the Civil War. For most people, the American Dream had vanished, leaving behind a nightmarish reality. Even in times of general prosperity, a sense of frustrated opportunity continued to gnaw at a large number of Americans. "Land of opportunity, you say," a Chicago man snarled at a spread-eagled speaker. "You know damn well my children will be where I am--that is, if I can keep them out of the gutter." 2

Frustration led to anger, and anger led to action. Reform

movements swept across the country, gathering farmers, workers, tradesman, ministers and intellectuals. Several movements emerged, including the Knights of Labor, Farmers' Alliances, the single-taxers and the anarchists--all distinctly different, yet united by a fear of big business and an impatience with the government's refusal to help the poor. Before the Eighties were over, another movement, socialism, began to attract a significant amount of attention. Many forms of Utiopian socialism were advocated, and in 1888, a novel appeared which was to bring together the collectivist yearnings of a nation:

Edward Bellamy's Looking Backward.

Edward Bellamy was an idealist, and his book, Looking Backward 2000-1887, is his attempt to picture society not as it is, but as it should be--and perhaps, could be. As Vernon Parrington states,

He was not a politician, not an economist; he wanted, simply, to search out the responsibility for an economy which was producing so much poverty and suffering. He felt that man could not be as cruel and unjust as his competitive behavior made him seem, and partly as an intellectual problem, partly as a social problem, he set out to find the answer. 3

What Bellamy found was that man truly has potential for goodness, but that the chains of capitalistic society restrain him from achieving that potential.

Looking Backward tells the story of Julian West, a young and wealthy Bostonian who falls asleep for 113 years, and awakes to find himself very much the same but the rest of the world completely different. Boston in the year 2000 is a utopia,

and West is amazed at the simplicity, efficiency, and justice of the new system. His host, Dr. Leete, explains the new society to him in great detail, and eventually converts him to the utopian principles of Nationalism.

Early in the book, Julian West describes the nineteenth century society by comparing it to "a prodigious coach which the masses of humanity were harnessed to and dragged toilsomely along a very hilly and sandy road."⁴ The driver of the coach was hunger, who "permitted no lagging," and lashed the struggling human team below. His passengers, the idle rich, rode of top of the coach, "well up out of the dust," admiring the scenery and occasionally commenting on the merits of their fellow men pulling on the rope. Had they no compassion for their harnessed brothers? Oh yes, West is quick to assure the reader. Often, when the coach came to a particularly steep hill,

The passengers would call down encouragingly to the toilers of the rope, exhorting them to patience, and holding out hopes of possible compensation in another world for the hardness of their lot, while others contributed to buy salves and liniments for the crippled and injured. 5

Through the parable of the stage coach, Bellamy effectively illustrates the inhumanity of nineteenth-century society, and prepares the reader to accompany Julian West in his education of the new utopia.

The basis of the new society, Dr. Leete explains, is Nationalism, a system of "ultimate truths" originally advocated by prophets and eventually accepted by the rest of the

country. The conversion was not one of violent revolution, but peaceful evolution. Dr. Leete continues, "In the time of one generation men laid aside the social traditions and practices of barbarians, and assumed a social order worthy of rational human beings."⁶

The key to Nationalism is the recruitment of all Americans, men and women alike, into an "industrial army"; the entire country has become socialized, thus solving all problems in the distribution of wealth and labor. Structurally, the industrial army is much like a military organization, running on principles of hierarchy and, most importantly, efficiency. With the entire country socialized, the central planners are able to maintain an exact correspondence between the labor market and consumer needs, thus making unemployment a thing of the past. Workers are rewarded not on the basis of occupation, but of effort, and since all are placed where they can do their best, every worker is rewarded equally. How can it be assumed that a worker will perform his best? Has human nature changed? No, says Dr. Leete:

Now that industry of whatever sort is no longer self-service, but service of the nation, patriotism, passion for humanity, impel the worker as in your day they did the soldier. The army of industry is an army, not alone by virtue of its perfect organization, but by reason also of the ardor of self-devotion which animates its members. 7

Julian West's conversion is complete after he has a hallucinatory pilgrimage back to nineteenth-century Boston. As West enters a tenement district, he is horror-stricken at

the "festering mass of human wretchedness":

I was moved with contrition as with a strong agony, for I had been one of those who had endured that these things should be. I had been one of those who, well knowing that they were, had not desired to hear or be compelled to think much of them, but had gone on as if they were not, seeking my own pleasure and profit. Therefore now I found upon my garments the blood of this great multitude of strangled souls of my brothers. The voice of their blood cried out against me from the ground. Every stone of the reeking pavements, every brick of the pestilential rookeries, found a tongue and called after me as I fled: What hast thou done with thy brother Abel? 8

Just as Dr. Leete converted Julian West, Edward Bellamy converted several thousand Americans to the principles of Nationalism described in Looking Backward. By 1890, two years after the book's publication, Looking Backward was selling at the rate of then thousand copies a week, and Nationalist Clubs sprang up all across the country to preach the gospel which Bellamy had expounded.⁹ The majority of Bellamy supporters, however, were not city-dwelling factory workers, but middle-class Americans who clung to remembered ways and threatened values. According to John L. Thomas, "It was chiefly in the trans-Mississippi West and South, among hard-pressed farmers, small-town merchants, failed entrepreneurs, and bitter spokes-¹⁰men for a lost America, that his message hit home." Bellamy reflected the widespread feeling of discontent in the late nineteenth century, and captured the imagination of those Americans who sought a better way.

THE NATIONAL COOPERATIVE COMPANY

Some of those Americans lived in Des Moines, Iowa, and one of them was Ernest B. Gaston. During the winter and spring of 1889-1890, Gaston and several other "prominent citizens" met once a week to discuss the social, economic, and political issues of the day. They called themselves "The Investigating Club," and what they searched for was a theoretical solution to the "serious evils" of the competitive system.¹¹ Every week they gathered to debate and concur, make point and counterpoint, raise issues and knock down objections. Although they largely discussed Bellamy's ideas, they did not ignore other social theorists, such as Laurence Gronlund, who had written a book called The Cooperative Commonwealth in 1884. Gradually, they came to agree on certain principles of society--some were modified from Bellamy, and others were completely different.

In early April, Gaston wrote to Bellamy, inviting him to lecture in Des Moines. Bellamy wrote back, declining the invitation, but adding, "Do all you can for our common cause personally, and in your Maker. I am sure you can in no better way serve your country better."¹² As spring turned to summer, Gaston and a few others in the club decided they could do more; they could form a colony based on the conclusions they had reached in their investigation. And so, in early June 1890, Gaston, Professor W.P. Macy, E.D. Smith, C.H. Mershon, and a few othermen met, as the daily papers announced,

to see if they could not devise a plan to escape what they deemed the serious evils of the present system, and put into successful operation the better principles which had crystallized in their minds as the result of thier investigations. 13

At this meeting the men established a colony company, calling it The National Cooperative Company (hereafter referred to as the "NCC"). As demonstrated by its title, the colony would stress cooperation, for its founders believed that cooperation was the key to social and economic success. They envisioned their community as a place where "the savage, foolbish, and wasteful system of competitive industry" would give way to "the kindly, rational and more economic system of cooperation." ¹⁴ At the meeting, the men also drew up a constitution adn by-laws, plans were made to inspect the South for a "choice location," and the general atmosphere was optimistic. As one newspaper article concluded:

The projectors are very enthusiastic and confident of their ability to make the plan of work succeed. If possible they will have everything in readiness and start for their home this coming autumn. A committee will be immediately appointed to look for a favorable location.

The establishment of the colony is a settled fact and speedy arrangements are being made for the consummation of the plans. 15

And so began the National Cooperative Company's attempt to achieve a better way.

THE COLONY PLAN

Unfortunately, no copy of the colony constitution, by-laws, or prospectus has survived as such. However, it is possible to piece together the skeleton of the colony plan from various letters and newspaper articles.

Principles

Once again, the fundatmental principle upon which the NCC rests is that of cooperation. Gaston and the other founders believed that the existing competitive economic system was not only inhumane but inefficient, for it failed to achieve a corospondance between needs and labor which would result in full employment. The founders stressed the importance of society to man, as well as each man's right to share in the earth's natural resources:

Man alone is nothing but a savage; he can support existence and that is all. It is only in and through society that he can obtain wealth and culture. Wealth is the product of man's labor expended upon the earth, which is God's gift to the race. No man should be allowed to monopolize the natural resources and levy a tribute on his fellow men for the opportunity to labor. . . . Each man should recieve the full product of his labor, except an amount sufficient to discharge his debt to society, through whose aid he can do effective labor. 16

Purpose

The purpose of the colony, as the founding fathers saw it, was to secure a better way of living for its members, and serve as a model for the larger society. While the central focus of the community was the establishment of a fair economic system, the founders hoped to create a total environment of happiness and cooperation. Thus, the stated purpose of the colony was not only "the production and distribution of wealth" according to "just and correct systems of credit, account, and exchange"; its goals also included:

The arbitration and just settlement of disputes

between ourselves and the practice among ourselves of just systems of social organization, the education of ourselves and our children in proper physical, mental, moral, intellectual and artistic lines, to improve the health, secure the happiness and perfect the well-being of every member and as well to propagate and extend in the world at large the idea of universal and just cooperation. 17

Membership

Gaston and the other founders were quick to realize that in order for the colony to succeed, all its members would have to be "in full sympathy with the system of cooperation." Thus, on the membership application form they asked such questions as:

"Have you read any works on Cooperation, Sociology, Evolution, or Economics?"

"Do you understand the Cooperative Spirit?"

"Are you willing, if elected a member, to honestly, truly, and persistently endeavor to harmonize others, to correct your own faults, to try and discover and do your DUTY, rather than wholly rely upon your RIGHT?" 18

The membership fee was set at \$500, a price steep enough to ensure dedicated members and an adequate economic base. In order to be considered a member, you had to pay a fee of ten dollars with your application. After paying \$250 in "lawful money," you could reside on company grounds, and continue to pay your fee in installments of "not less than \$5 per month"; the remaining \$250 could be paid in labor, supplies or other "acceptable material." 19

Each member was actually a stockholder in the company, and the \$500 fee went towards the common stock. All property--except expressly personal items--would be held in common, and upon leaving the colony, a member would walk away with his \$500

But little else. Since the colony wanted to retain control over its membership, no member would have the right to transfer his stock without the consent of the company. Finally, any member could be expelled from the company by a two-thirds vote of the stockholders.

Economy

In order to ensure the highest degree of cooperation, and thus, the founders believed, the most efficient economy, they planned an entirely socialistic economy. Since the colony would control all industries, it could maintain a correspondence between the labor and needs of its members. The standard wage would be thirty cents per hour, and the standard work day would be eight hours. Gaston and the other founders, however, did not feel they had the right to tell each man what occupation to work at--this would be a serious breach of individual freedom. Now, then, could they handle fluctuations in the market? They would merely raise the wages for occupations that needed to be filled, and lower the wages for occupations that were oversubscribed. For example, if no one chose to become a bricklayer at thirty cents an hour, they would increase the wage rate to thirty-five cents, and so on, until the colony had all the bricklayers it needed.

Another important part of the economy was its medium of exchange. The colony would do away with the use of money, as nearly as possible, reserving it only for transactions with the outside world. Instead of money, the colony would use

labor time-checks as its medium of exchange in all business transactions. When a man worked his eight hours, he would be paid with eight hours' worth of time-checks, which were redeemable at the colony stores for merchandise. At these colony stores, the price of goods would be set at cost, "plus a percentage to provide funds for maintenance and extension of the colony plant." Finally, twenty-five percent of all the surplus "money" in the hands of the treasurer each year would be invested by the board of trustees "in a plan of some kind that will tend to promulgate these cooperative views and to benefit humanity in general."

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Government

"The supreme authority of the company," stated the constitution, "is the membership." Gaston and the other founders strongly believed in the equal rights of all men to have a voice in the government; each man would get one vote, and in most cases, the majority vote would rule. While the officers of the company had a certain amount of political power, safeguards were included to ensure that the membership had final authority. These safeguards were the "referendum imperative mandate" and the "initiative."

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Through the referendum, members could pass or veto any measure adopted by the officers of the colony. Any measure could be placed for a referendum vote if ten percent of the members demanded it. The initiative, on the other hand, gave the members a chance to create their own measures. On demand of ten percent of the members, a measure would be submitted to the Company, and if it received a majority approval, it would be accepted and

followed by all members of the community.

The colony plan was thorough, but it was not entirely original. Many of its principles and policies were adopted from the Kaweah Cooperative Commonwealth, a Californian socialistic colony that was established in 1884. For example, features such as the colony store and the labor time-check system came straight from Kaweah. However, Kaweah had been struggling for several years, and the founders of the NCC were able to learn from its mistakes. Thus, instead of only requiring \$100 to reside on colony grounds, as Kaweah had done, the NCC demanded \$250, in order to ensure a stronger economic base. Rather than immediately focusing on an industry, as Kaweah had attempted with timber, the NCC colony would initially emphasize agriculture, which was self-supporting. Rather than fixing the employment of every member, which had created dissension in Kaweah, the colony would allow members to choose their own occupations.²² Through changes such as these, the NCC hoped to avoid the numerous problems that plagued Kaweah.

The founders of the NCC thought their plan was wonderful. Now they had to wait and see if anybody else in America agreed with them.

Ernest B. Gaston was going to make sure that at least some people agreed. From the very start, Gaston was the driving force of the NCC. Only twenty-nine years old, Gaston had been interested in social reform for years, and was already the editor of a Des Moines paper, the Suburban Advocate. Gaston was an intelligent young man, who carefully considered his actions before making them. In 1888, an old friend had written to Gaston:

Before anyone can make a success of life, they have to make the right start. And as I review your life since I knew you, I can see only a very few mistakes and many well-laid plans.

Equally important--or perhaps more important--Ernest B. Gaston was a mover. He made things happen. Once he made up his mind about something, he wouldn't give up without a good fight. The same friend wrote,

You have Pluck and pluck beats luck anytime. A stiff upper lip is a good thing to have. It is better to have that than a stiff _____. 23

Gaston applied this boundless energy to the formation of the NCC. He was sure of himself and of the colony's principles. In a letter to a prospective member, Gaston wrote, "I know that such an organization would be of great benefit to you. . . .I think I can convince any man who wants to 'earn²⁴ what he gets and get what he earns' that he can do better." Gaston had played a crucial role in designing the constitution, and now, as Secretary of the company, he solicited members, answered inquires, and contacted real estate agents. For all

intents and purposes, Ernest B. Gaston was the National Cooperative Company, and he was going to make sure America listened.

And listen they did. From California to New York, over one hundred people wrote Gaston in the Summer and Fall of 1890, asking for more information about the colony. Although letters came from as far away as Ontario, Canada, and Homburg, Germany, the large majority of responses came from the Midwest. Professors, ministers, tradesmen, farmers, industrial workers and small-time entrepreneurs all wrote in, mentioning a newspaper article they saw in the St. Louis Globe Democrat, or in the Kansas City Star, or in any one of several papers across the country. Many asked the same questions: "Where are you going?" "When are you leaving?" "Can you please send more information?" And, zealously, Gaston responded to each and every letter, sending written information and encouragement:

I take great pleasure in complying with your request for particulars in regard to our Cooperative enterprise. I send you herewith a copy of our Prospectus, just issued, trusting that the plan it presents will meet your approval. I do not know that I need to add anything at this time more than is given in the prospectus. We are anxious to increase our membership. 25

Many people wrote Gaston, describing their hardships and indicting the Industrial Age. E.A. Davidson, a thirty-seven-year-old music teacher from Iowa, wrote, "This present robber system or skin game is far from agreeing with my ideas of things." 26 John McLeod expressed the frustrations of many when he wrote:

Selfishness and greed are the controlling forces

of life today as it was two thousand years ago.

The Golden Rule is still ignored with relations of individuals, communities, states, and nations. The love of money is the root of all evil and the dominant thought in men's dealings with each other seems to be: How can I use my neighbor so as to make the most of him for my advantage? 27

These people, like thousands of others in the late nineteenth century, sought escape from a hostile society. Some of them found in Bellamy and the NCC a possible answer to their problems. From these people came overwhelming support. Prentice Bailey, a Florida farmer, wrote, "I am so struck with Bellamy's ideas, that it is my intention to join you if possible." 28 Similarly, H. Olerich, a principal from Iowa, lauded the colony plans:

I received and carefully read your prospectus. In my opinion it is better than any other of its kind I have examined.

My desire is to receive the benefit and freedom from cooperation as soon as possible. 29

Like Mr. Olerich, many of the prospective members had previously researched other colonies, including Kaweah. For these men, the NCC promised not only an escape from a hostile society, but a model for national (and perhaps universal) reform. Reverend A.N. Somers wrote:

I have been all my life a close student of our American social problems; and this [colony] has appealed to my mind with great force.

What is the form of organization for your colony? In behalf of suffering millions, I am, with you, anxious to see light. 30

Charles Randall asserted:

It seems to me that the most effective way to bring the question of Nationalism prominently before the people is by means of just such colonies as you are about to establish. An ounce of performance is worth a pound of preaching, you know. 31

Perhaps the largest praise came from Thomas Simson, who wrote:

With this endeavor in Mr. Bellamy's footsteps you are going to win immortality. 32

Not all responses were this overwhelmingly positive, however. Some people were generally supportive of the plan, but had reservations about locating in southwest Louisiana--a spot the colony was seriously considering. Alternative locations were often suggested: Florida, Texas, Vermont and even Central America. One man warned Gaston that if the colony moved to Louisiana, they had better beware of malaria and fever. Another man cautioned Gaston that "in going so far south you are making a serious error. Immigration moves usually, and with the best results, east or west. Our northern people seldom like the southern climate for permanent residence, and vice-versa." Still another man wrote that the selection of Louisiana could doom the NCC to failure:

Unless you have a special reason for selecting Louisiana I should not consider it a desirable location. A more exhilarating climate would seem to me desirable, if not absolutely essential, to the success of such an undertaking. 33

Other prospective members were satisfied with the location, but had questions about the colony plan. One woman wrote Gaston about religious freedom at the colony, asking "Are you willing to allow every one perfect liberty of conscience and the right to have his own little sanctuary undisturbed in his own heart?" Another person wanted to know how the colony intended to support members who "by accident or disease became incapable of doing

their share of the work." Prospective members wanted to make sure they knew what they were getting themselves into before committing themselves to the NCC. The following letter from C.H. Thruston of Illinois illustrates this point and also the range of potential members:

Sirs i wood like to know more of your Coliny that is going south. you will pleas send me the Rules and Reglations information in full. that is if it is not a select company if so that settle it. if a man ons a shear will it entitled his Boys to a preference for Labor. is a man compeld to trad at co. store. if a man dies will his family be entitled to live the same as when he was alive. when you read this dont get down on the scrawl for it takes all kinds of people to make up a world. 34

While some people criticized the location, and others asked questions about omissions, still others found parts of the colony plan downright objectionable. Mrs. S.A. Armstrong, for example, angrily criticized the fact that women were not allowed to become voting members:

I see you do not allow women a role. Why, I ask, if this is a progressive movement, why should we not be allowed a voice? If I bring the same amount of capital to you that my husband brings, why should I not receive the same recognition? This is the one thing I regret in your rules and I trust your company will think better of it and make your colony really a step in advance of the present order of things.

You perhaps will judge by this that I am one of these "ranting woman's rights" women, but I am not at all mannish. I only believe in bettering the whole human family. 35

Some people felt the colony plans should be more in line with Bellamy's ideas; others felt it was too much like Bellamy's ideas. Morris Woodward raised another common criticism. "The worst obstacle to success in your Colony," he said, "will be the in-

herent weakenss and wickedness of human nature." ³⁶ The New York Evangelist, a major publication of the times, criticized the scheme for being "dreamy" and "visionary," and called its founders "deluded." ³⁷

But Gaston, unlike Bellamy, was not an idealist, and he was quick to point out the ways in which the NCC differed from Bellamy's principles. The major difference involved the rewarding of labor. While the Bellamy plan rewarded men on the basis of their effort--that is, how much each man fulfilled his potential--the NCC settled for the much more realistic goal of rewarding men solely on the basis of their achievement. For example, if two men performed the same job, the NCC would pay more the one who did twice as much, not the one who did half as much but lived more up to his individual potential. Gaston agreed Bellamy's plan would be nice in an ideal world,

But the trouble is it would require an infinite wisdom to judge justly of their respective efforts. The finite mind can only judge from visible results--No man can tell whether another is putting forth his best mental or physical efforts. ³⁸

In such a way did Gaston respond to all criticisms of the NCC. He considered them carefully, and although he occasionally acknowledged an omission, he generally refuted the criticism, after finding renewed satisfaction in the colony plans. In response to a single-taxer who felt the colony restricted personal freedom, Gaston wrote, "After further study I must say I am unable to see one point wherein personal liberty has been unnecessarily abridged or where it could be extended without such act doing violence to the fundamental principles of association and systemalization." As he wrote to Charles Field,

I am glad you were pleased with the plans set forth in our Prospectus. No adverse criticisms have as yet come from any one of the hundreds who have read it through; those who have not done so are extremely quick to criticize.

Except for occasional criticisms, however, most of the responses were extremely complimentary, giving Gaston high hopes for the success of the colony. In August he confidently wrote to a prospective member,

I believe we are destined to do a work which will be of great benefit to humanity as well as greatly increase our material prosperity and happiness. 39

Ernest B. Gaston's high spirits were soon to take a turn for the worse. Despite popular support of the colony, by the end of the summer there were still only four members--Gaston, Professor W.P. Macy, J.P. Griffin, and E.D. Smith--all of them founding fathers⁴⁰ of the colony. No one else had even paid the initial ten dollar membership fee. Prospective members either didn't have the money, or weren't willing to commit themselves to a colony not yet established. In early August, Gaston, Smith, and Griffin had made a "prospecting tour" of the South, looking for possible colony sites, and had become very interested in a tract of land on the shores of Lake Arthur, Louisiana. The "Dechamps tract," as it was called, contained 3000 acres, and was an excellent spot, but securing it would require a rather large sum of money.

The founders of the NCC found themselves in a Catch-22 situation. In order to increase their membership, they needed to have an established colony, but in order to buy the land for

the colony, they first needed the money that an increased membership would bring. Gaston was beginning to get concerned, and a little frustrated at those people who refused to commit themselves. At the beginning of September, Gaston responded to an inquiry, saying,

We are of course anxious to add to our membership those who are heartily in sympathy with the principles of cooperation and are able and willing to pay. 41

On September 9th, a successful Company meeting was held and Gaston's spirits soared. A few days later he wrote to H.A. Buffington, "Our last meeting a couple of days hence was the best attended and most enthusiastic one we have had and the unanimous feeling was that we ought by all means to secure the Dechamps tract on Lake Arthur." ⁴² Gaston was soon disappointed, however, when at the following week's meeting only he, Griffin, and Smith showed up. The next day he wrote to member Macy,

The time is drawing near when something must be done if we secure the tract on Lake Arthur, or any other this Fall. . . . We have to get out of here and get located. Once established and at work I have not the least doubt but that members will be added as fast as we want or can take care of them. 43

The pressure was on, but Gaston was not going to sacrifice his colony without a fight. He continued:

Let me say for myself that I have devoted myself to this work. I believe our plan to be by far better than any other that has been proposed, that it will be of the utmost advantage to us and a potent factor in settling the present difficulties between labor and capital. I will never give it up until I see it given a fair trial. 44

As if by heavenly reward, three days later Gaston recieved

ten dollars and an application from the man who was to be the fifth member of the NCC--Thomas Edward Fogarty.

T.E. Fogarty, a forty-two-year-old man from Moberly, Missouri, possessed "confidence with a sprinkle of energy." A night-shift boilermaker for the last two years, Fogarty finally decided it was time to "make a more manly move on my part." Fogarty, a father of five children, was a poor man of limited means and was dedicated to the spirit of reform. He had earlier written Gaston, asserting, "I am a believer in Cooperation. I hope the day will come when every child will be taught its principles and fundamental law." ⁴⁵ Fogarty took the NCC quite seriously, and one can detect in his letters a sense of devotion, which promoted eagerness, coupled with prudence, which promoted a certain amount of caution. Along with his application he wrote:

My brother, this is rather a serious question, casting our lots together for life: A band of brothers united by ties more stronger than any material obligation ever given or received--is the view I take of this move.

Therefore I consider it as sacred that I enlist in this army to be mustered out only by the Great Commoner of that Innumerable Host. . . . And I doubt not the sincerity of the Company in any respect but let us be careful of each step and then go ahead. ⁴⁶

Although Fogarty announced that he would be ready to start for Louisiana by October 15th, the date set in the colony prospectus, Gaston informed him that there would be a slight delay in the plans. Not long after, R.T. Chase of Houston, Texas, sent in his application and ten dollar fee, and both Fogarty and Chase were officially accepted as members at a Company meeting on October 10th.

Six members were better than four, but still not nearly enough. Gaston wrote Fogarty a few days later, admitting, "It is quite exasperating to see men able and professedly in sympathy with our movement holding back to see how many others we are going to get." Still, Gaston realized Fogarty was getting restless, and added, "You may rest assured that the start will be made this fall and in a way that will be reasonably safe and that you will approve."⁴⁷ Meanwhile, Chase, not as impatient as Fogarty, stressed the importance of moderation to Gaston:

In a colony, to be successful you must have no burdens of discontent. Now do not think that I desire to discourage you but a heavy debt to begin with will prove a heavy burden.

Do not be in a hurry, have all the friends ready, all plans fully matured, leave nothing to chance and you will succeed. And I am with you with all my might and mind. 48

Fogarty echoed a similar sentiment of loyalty: "My brother, I am at your service; hand, heart, and what little I have will be devoted to the Noble Cause."⁴⁹

If more men had shared these thoughts, and had backed them up with money, the NCC would not have been in such bad shape as the winter of 1890 approached. But no other men joined the Company, and as the days dragged by, the fate of the colony seemed more dubious, and the estimated starting date was pushed farther and farther into the future. Finally, in the beginning of 1890, Fogarty lost all patience and launched an angry tirade against Gaston. He had understood from the prospectus that the colony would start by the 15th of October, and had readied himself,

even moving out of his house. Fogarty's wife had agreed to journey to Louisiana, but only on the condition that it wouldn't be a mid-winter move. Fogarty was furious:

Then besides to move there with no particular plan in view but a prey for Land Sharks and to drag women and children about at winter without a house or place is more than I have agreed to do and as I have said before I must have some source of revenue as my means are too limited to go on uncertainties.

As far as the Cooperative Colony is concerned you have virtually acknowledged it a failure for without number and their money nothing can be done. Yet even with the present number if it had been vigorously pushed, might have succeeded but for the present you will have to excuse me. 50

Although Gaston was later able to restore the relationship to a "solid footing of mutual confidence and esteem," the words had already been said. And there is no doubt but that Fogarty's passionate words also reflected Gaston's growing frustration with the failure of the colony to get started.

What kept so many prospective members from joining the colony? For some it was painfully simple: they had no money. Nicholas Brook, a Russian immigrant now living in Kansas City, described his impoverished situation:

At present I am 51 years of age, partly cracked in my health, and for last years I have been not earning but losing money and time, and now I come to bedrock. In K.C. if saloons would not furnish free lunches, I believe that thousands of useful men would be hungry half a time. . . .

But thank my God if you, friends of humanity, will give me chance to associate with you in this great movement for delivering humanity from beasthood. . . [and] take me in as poor as I am. 51

Fred Festner, a night watchman in New Orleans, said he was a zealous socialist, "but cannot bring up even \$10, much less am

I able to furnish \$250 to be admitted for employment. Therefore, I believe there is no help for me, but to starve with my family slowly as a dog."⁵² Other letters were less dramatic, but conveyed the same message: I would like to join, but I have no money.

Many others who were eager to join the colony had no cash on hand, but did have money tied up in real estate. For these people, joining the colony was almost equally impossible, because of the enormous difficulty in selling property during that time. Gaston himself had a terrible time selling some property in order to raise cash. In a letter to J.M. Frey, he wrote, "Many here who are very anxious to go are like yourself (and myself too) so tied up with property which is a slow sale that it is hard for them to get loose."⁵³ Some felt they could raise enough money to join the company, but not have enough left over to travel to Louisiana and build a home when they arrived there. For all of these people, money stood between them and the colony they earnestly desired to join.

For others, it was not money, but fear that kept them from joining the colony. Many wanted to wait until the colony was established, rather than risk their entire life's savings on what they considered to be a shaky venture. While Gaston had sympathy for those hindered by poverty, he had none for those frozen by fear:

Nothing was ever accomplished by a lot of men who said, "if so many more will go in I will go in" or "when you have got the thing working all right I will come in." 54

These men often suggested that Gaston join forces with Kaweah, which was already established, rather than go his own way. But Gaston would hear none of it; while the colonies were similar in nature, the NCC plans were better, and he was determined to carry them out.

Some prospective members even suspected that the whole plan was a real estate fraud, a scheme designed to take advantage of "honest Home-Seekers." Often, these men had been the victims of such schemes at an earlier date. John McLeod wrote:

I have had a bitter experience of it all through my life, for I am one of those confiding simpletons easily decoyed by the arts and stratagems of designing knaves who come to me in the guise of religion and brotherhood and win my support only that they may rob me. . . .As to the aims and purposes of the association, they are ostensibly manifest in the published statements. But as to the ultimate design and secret motive of those who participate in the inauguration of the scheme, it is not so clear. 55

Although this seems far-fetched, McLeod's fears about the NCC were later confirmed. At least they were in the case of E.D. Smith.

Smith was one of the "founding fathers" of the NCC; Gaston had once called him "one of our most active and enthusiastic members." 56 It was Smith who accompanied Gaston on his tour of the South in early August, and it was during that trip that Smith became familiar with the extremely profitable nature of southern real-estate. By mid-September, Gaston realized that Smith was interested in more than just the success of a socialistic colony. In a letter to member Macy, Gaston wrote:

Smith is clear off. He is full of "private enterprise" ideas of his own. . . .We only learn his intentions through outside parties to whom he talks. When he got down there and saw the money others were it appeared to be making speculating in real estate, his speculative spirit revived and he is ready to go at it again. 57

By November, Gaston found out that "Smith was never interested in the Colony except for the opportunities he thought he saw for outside speculation." ⁵⁸ One thing is certain, however: Smith never realized his ambitions with the NCC.

And, unfortunately, neither did Gaston. As cold November turned into colder December, and no new people joined the Company, the fate of the colony looked even more grim. This was a trying time for Gaston. It looked as if the colony might never get off the ground, and yet he was not willing to give up the fight. Moments of doubt and frustration alternated with moments of renewed hope. Throughout December, Gaston struggled, moving back and forth the date when the colony would get started. On December 1st he wrote,

We have given up for the present our cherished plan of escaping the rigors of another northern winter. Among the hundred and more that are deeply interested in the movement, I know but two that are really ready with the money in hand to go. It may be next fall before we can get ready, for if we cannot go between now and Feb. 15 at latest, I think we had better not try to go until next fall. 59

Gaston's hopes fluctuated with his prospects of selling some real-estate. A few weeks later he wrote to Fogarty, "There is in this city a widespread feeling that the coming season will witness a "boom" here. I don't think a worse thing

could happen to the town. But if it helps me clear out and realize the desire of my heart, and get the colony underway, I will not complain." He continued:

Time only confirms me in my conviction of the practicability and desirability of such a society as our Constitution and By-Laws provides for and the more I study other plans the more do I feel that ours is superior to all others. 60

By December 26th, Gaston was still unsure of the colony's future. He wrote to one man, "It is impossible to say right now whether we will be able to make a start this spring or not." But the very same day Gaston must have had a moment of hope, for he wrote in another letter, "I am still unable to say what my future movements will be, though I have not entirely given up getting away from here and accomplishing my cherished object of getting our Colony established this winter." 61 But Gaston's frustrations continued. He could not get rid of enough property. He could not solicit any new members. Even his mother and sister disapproved of his colony efforts. 62

As the final days of 1890 arrived, Gaston grew increasingly frustrated with his failure to "get loose" from his land and get the colony started, as is revealed by the following letter:

. . .How much could Mr. Detrick pay down? Get me an offer out of him. I had written him by recommendation of another party, thinking that if I was going to realize anything out of it, it behooved me to look after it myself. 63

But it was no use. Gaston and the other members could not raise the money needed to begin the colony. Sometime during the early months of 1891, the National Cooperative Company died, leaving behind a history of noble hope and ultimate frustration.

EPILOGUE

History, like all other knowledge, is beneficial only in so far as it used to bring our course of action in harmony with the laws of Nature. It should be employed to enlarge the power of prevision, to remove stumbling blocks from our future road of progress.

--H. Olerich, Jr.

(Letter to E.B. Gaston,
September 3, 1890)

Although the National Cooperative Company died in early 1891, Ernest B. Gaston's dreams did not. In May he wrote to A.K. Owen, the founder of the Topolobompo colony, asserting, "I am still determined as soon as my circumstances will permit to 'seek refuge' in a Cooperative society and with a full knowledge of the hardships and anxiety necessarily attending the attempt to found a new one."⁶⁴

It would take three years, but Gaston would finally get his wish. While promoting his cooperative colony, he sought the advice of Professor James Bellangee, who suggested, as an alternative, a colony which would serve as a working model of the single tax. Gaston, however, made sure that a significant amount of cooperation was included in the colony plans.⁶⁵ And, on January 4, 1894, three years after the death of the NCC, the Fairhope Industrial Association was born. The colony it established was to remain successful for several decades, a fitting reward for the perseverance of Gaston and others like him.

The story of the National Cooperative Company may be seen

by some as merely a prelude to the story of Fairhope. But I believe it is much more than that. It is the story of a man, Ernest B. Gaston, his vision, his drive, his attempt to foster cooperation among men. It is the story of the late nineteenth century, a time when men sought refuge from the turbulence of the industrial age. It is, finally, the story of anyone, anywhere, who has ever said, "There must be a better way."